Michael O. Leavitt Governor Ted Stewart Executive Director Lowell P. Braxton Division Director 1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

March 1, 1999

Jack Larson Chief Executive Officer US Energy Corporation 877 North 800 West Riverton, Wyoming 82501

Re: Sand and Gravel Operations, Utah

Dear Mr. Larson:

This letter is in response to your call on February 23, 1999 regarding Division permitting requirements for sand and gravel operations in the state of Utah. Section 40-8-4 (8) of the Utah Code provides the definition of a mining operation subject to the Utah Mined Land Reclamation Act of 1975 (Act). This same section of the Utah Code defines those operations which are not subject to regulation under this Act. Operations which are exempt from this Act include the extraction of sand, gravel and rock aggregate. Sand, gravel and rock aggregate operations were exempted from regulation under this Act by the Utah State Legislature in 1987. Formal definitions for sand, gravel, and rock aggregate were not finalized until 1998. Attached are the current definitions for sand, gravel and rock aggregate as approved by the Board of Oil, Gas and Mining. Although the new definitions have been finalized and approved by the Board, it is important to advise you that they have been legally challenged by the Associated General Contractors (AGC). The status of this litigation is still pending resolution by the courts.

Please note that borrow areas which are disturbed as part of a mining operation *may be considered mining related disturbances* even if the materials being utilized from the borrow site are sand, gravel or rock aggregate. A determination regarding the inclusion of this type of disturbance in the mining permit is made by the Division based on site specific conditions.

If you have any further questions regarding this letter, please contact me at (801) 538-5286, or Ms. Joelle Burns at (801) 538-5291.

Sincerely

D. Wayne Hedberg

Permit Supervisor

Minerals Regulatory Program

## Board of Oil, Gas and Mining Definition of Sand, Gravel, and Rock Aggregate

Effective date - May 8, 1998

"Sand" means a naturally occurring unconsolidated to moderately consolidated accumulation of rock and mineral particles, the dominant size range being between 1/16 mm to 2 mm, which has been deposited by sedimentary processes.

"Gravel" means a naturally occurring unconsolidated to moderately consolidated accumulation of rock and mineral particles, the dominant size range being between 2 mm and 10 mm, which has been deposited by sedimentary processes.

"Rock Aggregate" means those consolidated rock materials associated with a sand deposit, a gravel deposit, or a sand and gravel deposit, that were created by alluvial sedimentary processes. The definition of rock aggregate specifically excludes any solid rock in the form of bedrock which is exposed at the surface of the earth or overlain by unconsolidated material.

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